1	SYLVIA A. QUAST Regional Counsel			
2	EDGAR P. CORAL Assistant Regional Counsel	** ~		
4	U.S. Environmental Protection Agency Region IX	** FILED ** 24 FEB 2024		
5	75 Hawthorne Street San Francisco, CA 94105	** FILED ** 24 FEB 2021 U.S. EPA - REGION IX		
6	(415) 972-3898			
7	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX			
9				
10	In the matter of:	Docket No. FIFRA-09-2021-0031		
11 12	Atekcity Corporation,	CONSENT AGREEMENT AND FINAL ORDER		
13 14	Respondent.	pursuant to 40 C.F.R. §§ 22.13(b), 22.18(b)(2), and 22.18(b)(3)		
15 16	I. CONSENT AGREEMENT			
17	The United States Environmental Protection Agency ("EPA"), Region IX, and Atekcity			
18	Corporation ("Respondent") agree to settle this	matter and consent to the entry of this Consent		
19	Agreement and Final Order ("CAFO"). This CAFO simultaneously initiates and concludes this			
20	proceeding in accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b).			
21	A. <u>AUTHORITY AND PARTIES</u>			
22	1. This is a civil administrative action brought pursuant to Section 14(a)(1) of the Federal			
23	Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. § 136 <i>l</i> (a)(1), for the assessment			
24	of a civil administrative penalty against Respondent for the failure to file reports required by			
25	FIFRA (e.g., a "Notices of Arrival" for an imported pesticide or device) in violation of Section			
26	12(a)(2)(N) of FIFRA, 7 U.S.C. § 136j(a)(2)(N)			
27	2. Complainant is the Manager of the Toxics Section in the Enforcement and			
28	Compliance Assurance Division, EPA Region IX, who has been duly delegated the authority			
bring this action and to sign a consent agreement settling this action.				

3. Respondent is Atekcity Corporation, a California corporation with headquarter offices located at 174 W. Lincoln Avenue, Unit 589, in Anaheim, California, 92805-2901.

B. STATUTORY AND REGULATORY BASIS

- 4. The importation of pesticides and devices into the United States is governed by Sections 17(c) and (e) of FIFRA, 7 U.S.C. §§ 136*o*(c) and 136*o*(e), and the regulations promulgated thereunder by the Secretary of the Treasury in consultation with the Administrator of the EPA (the "Administrator"). These regulations are found at 19 C.F.R. Part 12.
- 5. 19 C.F.R. § 12.112 states, in part, that an importer desiring to import pesticides or devices into the United States shall submit to the Administrator a Notice of Arrival of Pesticides and Devices (Environmental Protection Agency Form 3540-1, or "Notice of Arrival"), prior to the arrival of the shipment in the United States. In the alternative, the importer or the importer's agent may file an electronic equivalent to the Notice of Arrival. See also Section 17(c) of FIFRA, 7 U.S.C. § 1360(c).
- 6. Section 2(s) of FIFRA, 7 U.S.C. § 136(s), defines a "person" as any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.
- 7. Section 2(t) of FIFRA, 7 U.S.C. § 136(t), defines a "pest" as any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other living micro-organisms on or in living man or other living animals) which the Administrator declares to be a pest under Section 25(c)(1) of FIFRA, 7 U.S.C. § 136w(c)(1).
- 8. Section 2(h) of FIFRA, 7 U.S.C. § 136(h), defines a "device," in part, as any instrument or contrivance (other than a firearm) which is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life.
- 9. Section 12(a)(2)(N) of FIFRA, 7 U.S.C. § 136j(a)(2)(N), makes it unlawful for any person who is a registrant, wholesaler, dealer, retailer, or other distributor (*e.g.*, importer) to fail to file reports required by FIFRA.
 - 10. The Administrator of EPA may assess a civil penalty against any registrant,

commercial applicator, wholesaler, dealer, retailer, or other distributor who violates any provision of FIFRA of up to \$20,528 for each offense that occurred after November 2, 2015 where penalties are assessed on or after December 23, 2020. See Section 14(a)(1) of FIFRA, 7 U.S.C. § 136*l*(a)(1); 40 C.F.R. Part 19; and Civil Monetary Penalty Inflation Adjustment Rule at 85 Fed. Reg. 83818 (December 23, 2020).

C. ALLEGED VIOLATIONS

- 11. At all times relevant to this CAFO, Respondent was a corporation and therefore a "person" as that term is defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s), and as such is subject to FIFRA and the regulations promulgated thereunder.
- 12. At all times relevant to this CAFO, the label for the "Levoit LV-H126 Air Purifier" product bore claims that it was effective at mitigating mold spores and dust mites. The "Levoit LV-H126 Air Purifier" product is thus an instrument or contrivance (other than a firearm) which is intended for trapping, destroying, repelling, or mitigating any "pest," as that term is defined by Section 2(t) of FIFRA, 7 U.S.C. § 136(t), and is thereby a "device," as that term is defined in Section 2(h) of FIFRA, 7 U.S.C. § 136(h).
- 13. At all times relevant to this CAFO, the label for the "Levoit LV-H132 Air Purifier" product bore claims that it was effective at trapping mold spores and dust mites. The "Levoit LV-H132 Air Purifier" product is thus an instrument or contrivance (other than a firearm) which is intended for trapping, destroying, repelling, or mitigating any "pest," as that term is defined by Section 2(t) of FIFRA, 7 U.S.C. § 136(t), and is thereby a "device," as that term is defined in Section 2(h) of FIFRA, 7 U.S.C. § 136(h).
- 14. At all times relevant to this CAFO, the label for the "Vital 100 Air Purifier" product bore claims that it was effective at mitigating dust mites and airborne bacteria. The "Vital 100 Air Purifier" product is thus an instrument or contrivance (other than a firearm) which is intended for trapping, destroying, repelling, or mitigating any "pest," as that term is defined by Section 2(t) of FIFRA, 7 U.S.C. § 136(t), and is thereby a "device," as that term is defined in Section 2(h) of FIFRA, 7 U.S.C. § 136(h).
 - 15. At all times relevant to this CAFO, the label for the "Core 300 Air Purifier" product

bore claims that it was effective at trapping mold spores and dust mites and neutralizing bacteria. The "Core 300 Air Purifier" product is thus an instrument or contrivance (other than a firearm) which is intended for trapping, destroying, repelling, or mitigating any "pest," as that term is defined by Section 2(t) of FIFRA, 7 U.S.C. § 136(t), and is thereby a "device," as that term is defined in Section 2(h) of FIFRA, 7 U.S.C. § 136(h).

- 16. On or about October 19, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to the U.S. Department of Homeland Security, Bureau of Customs and Border Protection's ("CBP") Automated Commercial Environment ("ACE") system) for the importation into the United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13094626 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 136o(c), and 19 C.F.R. § 12.112.
- 17. On or about October 19, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Vital 100 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13094659 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 18. On or about October 18, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13095094 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 19. On or about October 18, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13095102 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 20. On or about October 18, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the

United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13095110 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.

- 21. On or about October 18, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13095128 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 22. On or about October 18, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Levoit LV-H126 Air Purifier" and "Levoit LV-H132 Air Purifier" devices prior to the arrival of their shipment under Entry Number ACN-13095136 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 136*o*(c), and 19 C.F.R. § 12.112.
- 23. On or about October 18, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13095144 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 24. On or about October 26, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Levoit LV-H132 Air Purifier" device prior to the arrival of its shipment under Entry Number 8SY-00271577 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 25. On or about October 26, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Levoit LV-H132 Air Purifier" device prior to the arrival of its shipment under Entry Number 8SY-00271460 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 136*o*(c), and 19 C.F.R. § 12.112.

26. On or about October 14, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number 8SY-00268078 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.

- 27. On or about October 12, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Core 300 Air Purifier" device prior to the arrival of its shipment under Entry Number ACN-13089626 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 28. On or about October 12, 2020, Respondent failed to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Vital 100 Air Purifier" and "Core 300 Air Purifier" devices prior to the arrival of their shipment under Entry Number ACN-13089634 in the United States as required by Section 17(c) of FIFRA, 7 U.S.C. § 1360(c), and 19 C.F.R. § 12.112.
- 29. By failing to submit to the EPA a Notice of Arrival (or a digital alternative pursuant to CBP's ACE system) for the importation into the United States of the "Levoit LV-H126 Air Purifier," "Levoit LV-H132 Air Purifier," "Vital 100 Air Purifier," and "Core 300 Air Purifier" devices prior to the arrival of each of the aforementioned 13 shipments in the United States between October 12, 2020, and October 26, 2020, Respondent failed to file a report required by FIFRA in each instance and thus committed 13 violations of Section 12(a)(2)(N) of FIFRA, 7 U.S.C. § 136j(a)(2)(N).

D. <u>RESPONDENT'S ADMISSIONS</u>

30. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding, Respondent: (i) admits that EPA has jurisdiction over the subject matter of this CAFO and over Respondent; (ii) neither admits nor denies the specific factual allegations contained in Section I.C of this CAFO; (iii) consents to any and all conditions specified in this CAFO and to the assessment of the civil administrative penalty under Section I.E of this CAFO; (iv) waives any

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right to contest the allegations contained in this CAFO; and (v) waives the right to appeal the proposed Final Order contained in this CAFO.

E. CIVIL ADMINISTRATIVE PENALTY

31. In full and final settlement of the violations specifically alleged in Section I.C of this CAFO, Respondent shall pay a civil administrative penalty of ONE HUNDRED AND TEN THOUSAND, SIX HUNDRED, AND FIFTY-SIX DOLLARS (\$110,656). Respondent shall pay this civil penalty within thirty (30) days of the effective date of this CAFO. The civil penalty shall be paid by remitting a certified or cashier's check, including the name and docket number of this case, for the amount, payable to "Treasurer, United States of America," (or be paid by one of the other methods listed below) and sent as follows:

Regular Mail:

U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center PO Box 979077 St. Louis, MO 63197-9000

Wire Transfers:

York City with the following information:
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Beneficiary = U.S. Environmental Protection Agency

Certified or Overnight Mail:

U.S. Bank 1005 Convention Plaza Mail Station SL-MO-C2GL ATTN Box 979077 St. Louis, MO 63101

ACH (also known as Remittance Express or REX):

Automated Clearinghouse (ACH) payments to EPA can be made through the U.S. Treasury using the following information:

Wire transfers must be sent directly to the Federal Reserve Bank in New

U.S. Treasury REX/Cashlink ACH Receiver ABA = 051036706

1	Account = 31006, Environmental Protection Agency CTX Format Transaction Code 22 – checking			
2	Physical location of U.S. Treasury facility:			
3 4	5700 Rivertech Court Riverdale, MD 20737			
5	Remittance Express (REX) = (866) 234-5681			
6	On Line Payment:			
7	This payment option can be accessed from the information below:			
8	www.pay.gov Enter "SFO 1.1" in the search field Open form and complete required fields			
10	If clarification regarding a particular method of payment remittance is needed, contact the EPA's Cincinnati Finance Center at (513) 487-2091.			
1112	A copy of each check, or notification that the payment has been made by one of the other			
13	methods listed above, including proof of the date payment was made, shall be sent with a			
14	transmittal latter indicating Despendent's name the ease title and dealest number to the			
15	following manular mail or amail addressess			
16				
17	Regional Hearing Clerk Office of Regional Counsel (ORC-1)			
18	U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94105			
19	R9HearingClerk@epa.gov			
20	Brandon Boatman Toxics Section			
21	Enforcement and Compliance Assurance Division (ENF-2-3) U.S. Environmental Protection Agency, Region IX			
22	75 Hawthorne Street San Francisco, CA 94105			
23	boatman.brandon@epa.gov			
24	32. Respondent shall not use payment of any penalty under this CAFO as a tax deduction			
25	from Respondent's federal, state, or local taxes, nor shall Respondent allow any other person to			
26	use such payment as a tax deduction.			
27	33. If Respondent fails to pay the assessed civil administrative penalty of ONE			
28	HUNDRED AND TEN THOUSAND, SIX HUNDRED, AND FIFTY-SIX DOLLARS			

(\$110,656), as identified in Paragraph 34, by the deadline specified in that Paragraph, then Respondent shall pay a stipulated penalty to EPA of FIVE HUNDRED DOLLARS (\$500) per day in addition to the assessed penalty. Stipulated penalties shall accrue until such time as the assessed penalty and all accrued stipulated penalties are paid and shall become due and payable upon EPA's written request. Failure to pay the civil administrative penalty specified in Paragraph 34 by the deadline specified in that Paragraph may also lead to any or all of the following actions:

(1) EPA may refer the debt to a credit reporting agency, a collection

- (1) EPA may refer the debt to a credit reporting agency, a collection agency, or to the Department of Justice for filing of a collection action in the appropriate United States District Court. 40 C.F.R. §§ 13.13, 13.14 and 13.33. The validity, amount, and appropriateness of the assessed penalty or of this CAFO is not subject to review in any such collection proceeding.
- (*i.e.*, the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the U.S. Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40 C.F.R. §§ 13(C) and 13(H).
- (3) Pursuant to 40 C.F.R. § 13.17, EPA may either: (i) suspend or revoke Respondent's licenses or other privileges, or (ii) suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds.
- (4) Pursuant to 31 U.S.C. § 3701 *et seq.* and 40 C.F.R. Part 13, the U.S. Government may assess interest, administrative handling charges, and nonpayment penalties against the outstanding amount that Respondent owes to EPA for Respondent's failure to pay the civil administrative penalty specified in Paragraph 34 by the deadline specified in that Paragraph.
- (a) Interest. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. §13.11(a)(1), any unpaid portion of the assessed penalty shall bear interest at the rate established according to 26 U.S.C. § 6621(a)(2) from the effective date of this CAFO, provided, however,

that no interest shall be payable on any portion of the assessed penalty that is paid within thirty (30) days of the effective date of this CAFO.

- (b) Administrative Handling Charges. Pursuant to 31 U.S.C. Section 3717(e)(1) and 40 C.F.R. § 13.11(b), Respondent shall pay a monthly handling charge, based on either actual or average cost incurred (including both direct and indirect costs), for every month in which any portion of the assessed penalty is more than thirty (30) days past due.
- (c) Nonpayment Penalties. Pursuant to 31 U.S.C. § 3717(e)(2) and 40 C.F.R. § 13.11(c), a monthly penalty charge, not to exceed six percent (6%) annually, may be assessed on all debts more than ninety (90) days delinquent.

F. CERTIFICATION OF COMPLIANCE

34. In executing this CAFO, Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and is at the time of signature to this CAFO, truthful, accurate, and complete; and that Respondent has corrected the violations alleged in Section I.C of this CAFO. Under 18 U.S.C. § 1001, submitting false or misleading information can result in significant penalties, including the possibility of fines and imprisonment for knowing submission of such information.

G. RETENTION OF RIGHTS

- 35. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondent's liabilities for federal civil penalties for the violations and facts specifically alleged in Section I.C of this CAFO. Nothing in this CAFO is intended to or shall be construed to resolve: (i) any civil liability for violations of any provision of any federal, state, or local law, statute, regulation, rule, ordinance, or permit not specifically alleged in Section I.C of this CAFO; or (ii) any criminal liability. EPA specifically reserves any and all authorities, rights, and remedies available to it (including, but not limited to, injunctive or other equitable relief or criminal sanctions) to address any violation of this CAFO or any violation not specifically alleged in Section I.C of this CAFO.
- 36. This CAFO does not exempt, relieve, modify, or affect in any way Respondent's duties to comply with all applicable federal, state, and local laws, regulations, rules, ordinances, and permits.

H. ATTORNEYS' FEES AND COSTS

37. Each party shall bear its own attorneys' fees, costs, and disbursements incurred in this proceeding.

I. EFFECTIVE DATE

38. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CAFO shall be effective on the date that the Final Order contained in this CAFO, having been approved and issued by either the Regional Judicial Officer or Regional Administrator, is filed.

J. BINDING EFFECT

- 39. The undersigned representative of Complainant and the undersigned representative of Respondent each certifies that he or she is fully authorized to enter into the terms and conditions of this CAFO and to bind the party he or she represents to this CAFO.
- 40. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns.

FOR RESPONDENT ATEKCITY CORPORATION:

 $\frac{2}{\text{DATE}}$

ALEXANDER TANG Corporate Counsel Atekcity Corporation 174 W. Lincoln Ave., U

174 W. Lincoln Ave., Unit 589 Anaheim, CA 92805-2901

FOR COMPLAINANT EPA:

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MATTHEW SALAZAR Digitally signed by MATTHEW SALAZAR Date: 2021.02.11 10:52:32

MATT SALAZAR, P.E.

Manager, Toxics Section

Enforcement and Compliance Assurance Division U.S. Environmental Protection Agency, Region IX

CERTIFICATE OF SERVICE

This is to certify that the original of the fully executed Consent Agreement and Final Order, (**Docket No FIFRA-09-2021-0031**) was filed with the Regional Hearing Clerk, and a true and correct copy of the same was sent to the following parties:

For RESPONDENT, via Electronic Mail:

Alexander Tang
Corporate Counsel
Atekcity Corporation
174 W. Lincoln Avenue, Unit 589
Anaheim, California 92805-2901
email: alex.tang@atekcity.com

Keith Matthews Attorney at Law Wiley Rein LLP 1776 K Street NW Washington, DC 20006 email: kmatthews@wiley.law

For COMPLAINANT, via Electronic Mail:

Edgar P. Coral Assistant Regional Counsel U.S. EPA, Region IX 75 Hawthorne Street San Francisco, CA 94105 email: coral.edgar@epa.gov

Regional Hearing Clerk	Date	
U.S. EPA, Region IX		